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Report Highlights:

- * Grocery shopping sea change * Russia to resume imports of Vietnamese seafood products
- * Officials say Vietnam animal vaccination program figures a sham

Includes PSD Changes: No Includes Trade Matrix: No Trade Report Ho Chi Minh City [VM2] [VM] Welcome to "News Summary" from Vietnam, an occasional summary of issues of interest to the U. S. agricultural community. The report includes information that has been garnered during travel within Vietnam, reported in the local media, or offered by host country officials and agricultural analysts. Press articles are included and summarized in this report. Significant issues may be expanded upon in subsequent reports from this office. Minor grammatical changes have been made for clarification.

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Grocery Shopping Sea Change

Sleek supermarkets are packed while vendors outnumber buyers at traditional open-air markets, as the commercial revolution continues to sweep Vietnam. In 2007, 14 percent of Vietnamese shopped at supermarkets, while the rate is expected to hit 24 percent by 2010, according to the Vietnam Retailers' Association.

"I prefer grocery shopping at supermarkets, as they have a better supply and selection of products than street-side markets or small shops," a businesswoman from Hanoi said, adding "And buyers don't have to bargain." Another shopper in Hanoi opined that cooking was a luxury that most professional women didn't have time for.

In a country with an annual average per-capita income of \$1,000, most supermarket customers are businesspeople, middle class office administrators, and tourists. Co.op Mart, the country's largest local supermarket chain, said 88 percent of its customers are office workers. The company said its average customer has a [monthly] family income of Vietnam Dong (VND) 6.5 million (\$382), of which they spend VND 3.7 million (\$218) shopping.

Many people go to supermarkets avoid the low quality Chinese- and locally-made bootleg products they might find at open markets. "Of course, supermarket products are more expensive," said a bank clerk, "but the goods there are real, not fake."

(Source: Thanh Nien, February 20)

Russia to resume imports of Vietnamese seafood products

Russia will re-open its market to Vietnam's seafood exporters after a three-month ban following a number of inspections by Russian authorities at Vietnamese seafood processing facilities, a Vietnamese official said.

According to Mr. Luong Le Phuong, the Deputy Minister of the Ministry of Agriculture and Rural Development (MARD), this decision is good news for Vietnamese seafood industry, as Russia is considered a vast market for Vietnamese seafood products. Russia, an export market of \$200 million of Tra and Basa fish (pangasius) in 2008, has banned imports of Vietnamese pangasius and dried seafood since December 2008 due to "unqualified" products. A group of four Russian officials arrived in Hanoi this week to work on the issue. A higher-ranking group of Russian officials will be in Vietnam next week to discuss bilateral efforts to ensure the quality of Vietnamese seafood products.

A Vietnam-Norway project is underway to produce vaccines to be used in farms to eliminate antibiotic applications in order to better control residue in seafood products.

Vietnam's global exports of Tra and Basa fish reached \$1.2 billion last year. Exports to Russia grew more than 80 percent over 2007, making Russia the biggest market for Vietnamese Pangasius and the fifth largest for Vietnamese seafood products.

(Source: Thanh Nien, February 18)

Officials say Vietnam animal vaccination program figures a sham

Some veterinarians have over-reported the number of livestock and poultry they vaccinated, casting doubt on official figures of immunization. At the meeting on animal disease prevention in Hanoi yesterday, Hoang Van Nam of the Department of Animal Health (DAH) told reporters that the figures veterinary agencies in some provinces had reported, which stated that 40 to 60 percent of poultry and cattle had been vaccinated, were not accurate.

According to Bui Quang Anh, the head of DAH, the ministry distributed 250 million vaccine shots to provinces in 2008, but 100 million shots remain unused.

Since early this year, avian influenza (AI) has hit 31 communes in 16 districts of nine provinces including Quang Ninh, Bac Ninh, Thanh Hoa, Thai Nguyen, Nghe An, Ca Mau, Soc Trang, and Hau Giang, affecting over 30,000 chickens and ducks.

Foot and mouth disease has hit 1,027 cattle in 38 communes in 11 districts of six provinces including Long An, Kon Tum, Hoa Binh, Son La, Quang Binh, and Quang Nam.

(Source: Thanh Nien, February 18).

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